

# City of Sunnyvale

## 2015 Housing Element Update



**Stakeholder Meeting October 9, 2013**

# Agenda



- Background
- Sunnyvale Housing Needs
- Regional Housing Needs Allocation (RHNA)
- Public Survey Input
- Roundtable Discussion
- Next Steps

# BACKGROUND

- Meeting Goals
- Housing Jargon
- Income Level Definitions
- Housing Element Overview
- Benefits of Approval

# Meeting Goals

- Discuss unmet needs with housing providers and stakeholders
- Identify ways to address unmet needs
- Identify new trends or constraints
- Discuss available sites and City incentives for affordable housing



# Housing Jargon

- **HCD:** California Department of Housing and Community Development
- **Affordable Housing Cost:** No more than 30% of gross monthly household income for housing costs (rent + utilities) or 35% for homeowners (mortgage, taxes, insurance).
- **AMI:** Area Median Income (County)
- **HUD:** U.S. Dept. of Housing and Urban Development

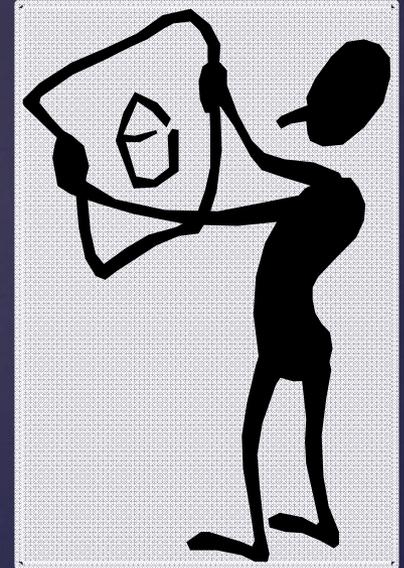
# Income Level Definitions

Income Level	Income Range (% of AMI)	2013 State Income Limits* (Maximum)
Extremely Low	0 – 30% AMI	\$31,650
Very Low	31 – 50% AMI	\$53,050
Low	51 – 80% AMI	\$84,900
Moderate	81 – 120% AMI	\$126,600

*\* Limits Shown for a Household Size of Four*

# Housing Element Overview

- Part of City's General Plan
- 4 Main Parts:
  - Housing Needs Assessment
  - Evaluation of Constraints
  - Adequate Sites Inventory
  - Strategy to Address Needs
- Updated every 8 years
  - *New: Streamlined Update Process!*
- HCD reviews and certifies compliance
- ✓ Sunnyvale's prior Housing Elements all certified by HCD



# Benefits of HCD Approval

- Presumption of validity if challenged in court
- If invalid, courts may suspend City's authority to issue building permits / approve projects
- Eligibility for state & regional funding for transportation, housing, infrastructure
- Not subject to "cumulative RHNA"
- Streamlined Update: HCD only reviews changes, not entire document



# SUNNYVALE HOUSING NEEDS

- Population Growth & Demographics
- Groups with Special Housing Needs
- Housing Stock & Trends
- Housing Costs & Affordability

# Growth & Demographics

Modest population growth between 2000-2010

- 2000-2010: 6% increase to 140,081
- 2013 Population: 145,973

## Age Characteristics

- 66% are Working-Age Adults Aged 18-64
- 11.2% Seniors (65+)
- Senior Population Grows Over Planning Period

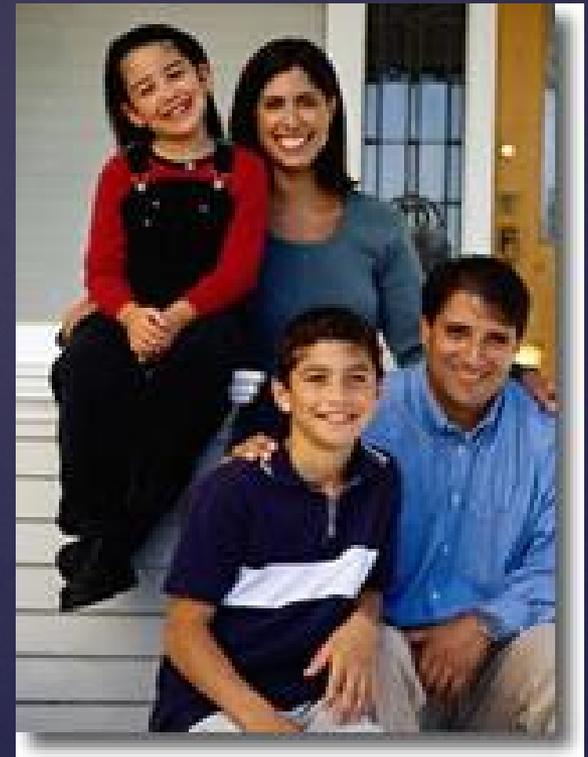
# Demographics

## Household Composition

- Only 33% are families with children
- 25% are single-person households

## Diverse Population

- 41% Asian
- 19% Hispanic



# Special Housing Needs

15,229 Senior Citizens (age 65+)

- 24% (3,650) are renters
- 34% have a disability
- 38% live alone



5,058 Large Households (5+ members)

- 28% (1,400) are renter households
- Few affordable rentals with 3 or more bedrooms

# Special Housing Needs, cont.

- 9,352 People with Disabilities: 7% of total City population
- 36% are seniors
  - 398 are non-senior permanently disabled adults
  - Increasing number of adults with developmental disabilities
    - From 1997 to 2008, the prevalence of autism increased nearly 290%

*Centers for Disease Control, from Pediatrics article by Boyle et al, pub. 2011*

# Residents without Homes

425 homeless people counted in Sunnyvale in 2013; up from 374 in 2011

- 1/3 were in shelters, 2/3 were unsheltered
- Countywide Homeless Population:
  - 6,028 were homeless individuals
  - 1,067 were homeless people in families
  - 3,968 were living in cars or encampments

# Housing Stock & Trends

## 56,462 Housing Units (2012)

- 49% Ownership opportunity (condo/single-family)
- 44% Multi-family rentals, inc. special needs units
- 7% Mobile homes (mostly owner-occupied)

## Modest Increase in Homeownership Rate

- 47.6% in 2000
- 48.3% in 2011 (5-year avg)

## Recent Housing Growth

- 892 new units since 2009
- 47% ownership, 53% rental



# Current Housing Costs



## Average Apt. Rents

*4<sup>th</sup> Q 2012*

- Studio: \$1,335
- 1 BR: \$1,773
- 2 BR: \$2,297
- 3 BR: \$2,662

*3.9% rental vacancy rate*

## Median Home Prices

*1<sup>st</sup> Q 2013*

- Median Single-Family: \$917,000
- Median Condo: \$618,000

# Local rents making headlines

“Average rent now \$2,128 in Santa Clara County, the highest in the state”

*Title of Silicon Valley Business Journal article by Nathan Donato-Weinstein, published July 19, 2013, based on RealFacts data from Q2 2013*

From same article:

Average rent for a one bedroom in the city of Sunnyvale was \$1,941

# Rental Affordability

	Studio	1 BR	2 BR	3 BR
Low Income Rent	\$1,286	\$1,470	\$1,654	\$1,838
Market Rents	\$1,335	\$1,773	\$2,297	\$2,662
Market rents Affordable to:	Low Income	Mod Income	Mod Income	Mod Income

# Home Buyer Affordability Gap

## Moderate Income (120% AMI)

Median Priced 3-BR Condominium: \$618,000

Median Priced 3-BR Single-Family Home: \$917,000

*Max. Affordable Home Price for 4-person household earning 120% AMI: \$500,000*

### MODERATE INCOME AFFORDABILITY GAP:

Condominium: \$118,000

Single-Family Home: \$417,000

# Who in Sunnyvale Needs Affordable Housing?

- **Can't afford to buy here:** First-time buyers, single-income families, Gen X or Y households, most service workers, entry- to mid-level professionals, esp. in non-tech fields (moderate- and lower-income households)
- **Can't afford to rent here:** Retail, service, hospitality & health care workers, single parents, young adults, seniors, disabled adults (very low- and extremely low- income households)
- **Groups with special housing needs:**  
Seniors, disabled people, homeless people, large families, single parents



# REGIONAL HOUSING NEEDS ALLOCATION (“RHNA”)

- What is it?
- Sunnyvale’s RHNA
- How to meet RHNA obligations
- Adequate Sites Inventory
- Affordable Housing Programs



# What is the RHNA? Pronounced "Ree-Na"

- Based on CA Gov't Code 65580-65589.8
- Local general plans & zoning must allow "fair share" of region's future housing need
- Need divided into 4 income levels: **Very Low, Low, Moderate, Above Moderate**
- "Adequate Sites" = Zoning for:
  - Enough units affordable to each income level
  - Variety of housing types: rental, ownership, multi-family, single-family, mobile homes, second units, etc.

# Sunnyvale's 2014-2022 RHNA

<b>Income Level</b>	<b>Units</b>	<b>"Mullin Densities"</b>
Very Low	1,640	30 units/acre
Low	906	
Moderate	932	15 units/acre
Above Moderate	1,974	No minimum density
<b>Total</b>	<b>5,452</b>	

# Adequate Sites Inventory

- Staff currently updating sites inventory
- Will be available for review when Draft Housing Element released in Dec-Jan
- LUTE Update may affect build-out capacity



# Affordable Housing Programs

- Below Market Rate (inclusionary) Home Buyer Program
- First Time Home Buyer Program
- Tenant-Based Rental Assistance
- Density Bonus Program
- Housing Rehabilitation Programs
- Supportive Programs (Human Services)



# Current Housing Projects

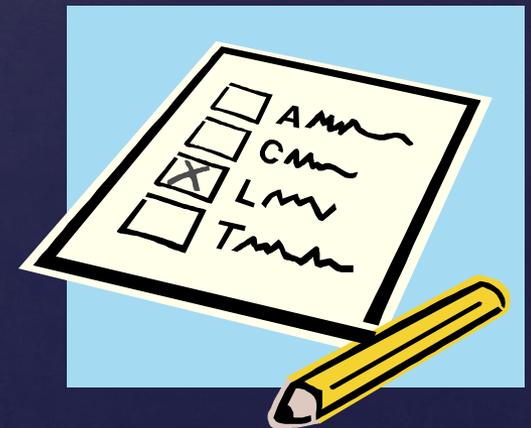
- **MidPen and Charities Housing Projects:**  
117 New Apartments for Very Low-Extremely Low Income Tenants, including homeless/supportive housing units
- **Habitat for Humanity:**  
Acquisition/rehab of 2 single family homes for resale to lower-income first time home buyers
- **Bill Wilson Center:**  
Group home for young adults aging out of foster care (completed)

# HOUSING ELEMENT SURVEY RESULTS

277 completed survey responses received

Of the respondents:

- 96 were renters
- 162 were home owners
- 19 were mobile home owners



# Affordability Concerns

*“Can I continue to afford living in Sunnyvale?”*



*“We want to stay in Sunnyvale but looks like we're heading down to south San Jose.”*

*“Institute some form of rent control.”*

# Unmet Needs

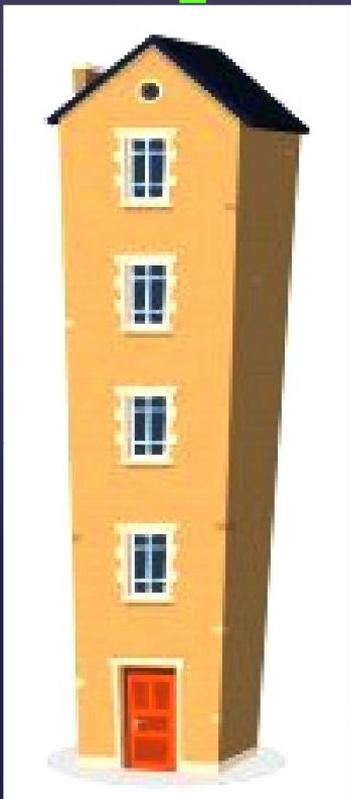
*“I make too much to get low income services and too little to afford regular housing.”*



*“inability for young adults, single parents, and elderly to find affordable housing”*

*“Provide affordable housing to developmentally disabled people living on SSI”*

# Location and Connectivity



*“Housing in Sunnyvale seems to always be built without walkability in mind. People should be able to do most of their daily needs by walking or biking”*

*“Living in the same city where I work”*

*“We need to increase the density, and make areas designed on a people scale not a car scale”*

# Growth Concerns



*“Too many apartment buildings add to the congestion and subtract from the charm of Sunnyvale.”*

*“Too many apartment complexes causing over crowding in our local schools”*



*“Balance housing with investments in open space, parks, libraries, dedicated bike lanes and trails”*

# Take the survey:

- Available on Survey Monkey or as pdf online:

*[HousingElement.inSunnyvale.com](http://HousingElement.inSunnyvale.com)*

In English and Spanish, Chinese coming soon

For more information:

Sunnyvale Housing Division

(408) 730-7250

[Housing.inSunnyvale.com](http://Housing.inSunnyvale.com)

[Housing@sunnyvale.ca.gov](mailto:Housing@sunnyvale.ca.gov)

# Next Steps (dates may change)

Complete Needs Assessment, Outreach Phase	July – Oct 2013
Public Hearings on Draft: Housing and Planning Commissions, Council	Jan – Apr 2014
Submit Adopted Draft Update to HCD	May 2014
HCD Review	May – June 2014
Public comment, Commission & Council Hearings on Revised Draft	Aug – Oct 2014
Adoption of Revised Draft by City Council	Nov-Dec 2014
Submit to HCD & State Approval	Jan 31, 2015

# Roundtable Discussion



- Technical questions?
- Any needs overlooked?
- Development Constraints?
- Other ideas/input?
- New Trends in Housing Type, Demand?